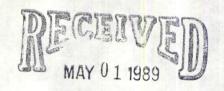


State of Utah DEPARTMENT OF NATURAL RESOU

DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City. Utah 84180-1203 801-538-5340





DIVISION OF OIL, GAS & MINING

April 12, 1989

Mr. Robert C. Montgomery W.C. Kirkwood Oil & Gas P.O. Drawer 3439

Casper, Wyoming 82602

Dear Operator:

Our files indicate that you submitted a Declaration of Exemption for your mining operation located in Garfield County, Utah. We have assigned this operation with a file number DOE/017/019.

WC

At the time of your submittal, the Utah Mined Land Reclamation Act (Section 40-8-4.6) excluded -- in the definition of a mining operation -- the following:

"...any operations which would otherwise be included under mining operations but as to which less than 500 tons of material are mined in a period of twelve consecutive months or where less than two acres of land are excavated or used as a disposal site in a period of twelve consecutive months."

In 1987, the legislature changed the Act to remove the exclusion of these mines that mined less than 500 tons or excavated less than two acres of land. As a result of this change, all mining operations — including those previously exempt — are now required to file a Notice of Intention to Commence Mining Operations. More specifically, as defined in the Act (40-8-4) and Rules supporting the Act (R613-001-106):

"Mining operations means those activities conducted on the surface of the land for the exploration for, development of, or extraction of a mineral deposit, including, but not limited to surface mining and the surface effects of underground and in situ mining; onsite transportation, concentrating, milling, evaporation, and other primary processing." 1 , were

- "Large mining operations means mining operations which have a disturbed area of more than five surface acres at any time."
- 3. "Small mining operations means mining operations which have a disturbed area of five or less surface acres at any time."

If you are still operating the above referenced site, or any other mining operation, you will need to file a Notice of Intention with this office. If you are still in operation, or plan to resume operations in the future, please notify us by signing this letter in the space designated in the box, below, and returning it to this office. As soon as we hear from you, we will send you a copy of the new rules — which were approved and effective December 1, 1988 — along with the necessary Notice of Intention filing forms.

Please respond by April 30, 1989. If you have questions or need assistance with the NOI, please contact Wayne Hedberg or Lowell Braxton. Thank you for your cooperation.

Sincerely,

Dianne R. Nielson

Director

jb MN68/1-2

Yes, I am interested in receiving a copy of the rules for the Minerals Reclamation Program. I will also need the following forms (please check):

Exploration (drilling, trenching, etc.)

O Small Mine (less than 5 acres)

□ Large Mine (greater than 5 acres)

Please sign and return to Oil, Gas and Mining

Dent 3,89